

CLASSIFICATION **CONFIDENTIAL**
 CENTRAL INTELLIGENCE AGENCY
 INFORMATION FROM
 FOREIGN DOCUMENTS OR RADIO BROADCASTS

REPORT

50X1-HUM

CD NO.

COUNTRY China
 SUBJECT Economic - Commodity movement
 HOW PUBLISHED Daily newspapers
 WHERE PUBLISHED Peking; Hong Kong; New York
 DATE PUBLISHED 30 May - 14 Jul 1951
 LANGUAGE Chinese

DATE OF INFORMATION 1951

DATE DIST. // Aug 1951

NO. OF PAGES 2

SUPPLEMENT TO REPORT NO.

THIS DOCUMENT CONTAINS INFORMATION AFFECTING THE NATIONAL DEFENSE OF THE UNITED STATES WITHIN THE MEANING OF ESPIONAGE ACT 50 U. S. C. 31 AND 32, AS AMENDED. ITS TRANSMISSION OR THE REVELATION OF ITS CONTENTS IN ANY MANNER TO AN UNAUTHORIZED PERSON IS PROHIBITED BY LAW. REPRODUCTION OF THIS FORM IS PROHIBITED.

THIS IS UNEVALUATED INFORMATION

SOURCE Newspapers as indicated.

REPORTS INCREASED MOVEMENT
OF COMMODITIES WITHIN CHINA

[Numbers in parentheses refer to appended sources.]

Through interarea conferences and trade delegations, the movement of commodities is increasing within China. In mid-May, representatives from the Northeast, North, and Central and South China areas formulated an agreement to stimulate commodity exchanges among these areas.

The Northeast will supply the North with over 14 million pounds of commodities including sunflower seeds, black melon seeds, apples, hazel nuts, starch, and drugs. The North will supply the Northeast with all kinds of wooden and bamboo ware, drugs, pepper, chestnuts, walnuts, persimmons, red jujube, reed mats, felt hats, onions, etc.

The Northeast will supply Central and South China with lard, salt meat, starch, apples, musk, "ma-huang," "t'ang-shen," and other products. Central and South China will supply the Northeast with tung oil, lotus seeds, brushes, crystal sugar, drugs, and other products. The total value of this trade is expected to be about 26 billion yuan. It is anticipated that a similar agreement next year will increase the value of trade to more than 200 billion yuan.(1)

It should be noted that many Kwangsi crops are now finding markets within China instead of relying on Hong Kong. Previously, the larger portion of Kwangsi aniseed had gone to Hong Kong; but, in 1950, 570,000 pounds of aniseed went to domestic markets while only 80,000 pounds went to Hong Kong. Other major crops are being sold to domestic markets.(2)

To expand the shipment of fresh fruits, Canton merchants have recently sent representatives to the Central and South Region and the East China Region, and are preparing to make agreements with the various trade organizations in these areas. Canton merchants sent 170 crates of bananas, 120 crates of lichee nuts, 22 crates of pineapples, and 5 crates of cocoanuts to the Central and South

- 1 -

CLASSIFICATION		CONFIDENTIAL		CONFIDENTIAL	
STATE	<input checked="" type="checkbox"/> NAVY	<input checked="" type="checkbox"/> NSRB	DISTRIBUTION		
ARMY	<input checked="" type="checkbox"/> AIR	<input checked="" type="checkbox"/> FBI			

CONFIDENTIALCONFIDENTIAL

50X1-HUM

Region Exposition. In response to demands created at this exposition, Canton merchants have shipped over 18,000 market catties of bananas for market trade. Agreements have been made for shipment to East China of 20,000 catties of dried second-grade lichee nuts and 5,000 catties of dried first-grade lichee nuts. A Peiping firm has bought 40 crates of bananas, about 3,200 market catties, which will be shipped today.(3)

Early in July Canton reported sales of Canton batteries to the Northwest. Eight Canton battery factories have merged for trading with the Northwest. Representatives have been sent to Cheng-chou, Sian, and Lan-chou to promote sales and advertising. After markets have been opened up for battery sales, it is expected that flashlights, flashlight bulbs, and rubber goods will be marketed in the same way.(4)

Later in July it was announced that a more inclusive group of representatives from Canton firms would go to Sian and the Northwest to stimulate trading. The representatives from the electrical, medicine, cotton, weaving, and other industries will take samples, such as: metal products, rubber products, canned foods, paint, electrical equipment, drugs, medicines, stationery and office supplies, chemicals, plastics, dried lichee nuts, crystal sugar, malt sugar, winter and summer clothing, hypodermic needles, watch chains, etc. There will be over 200 varieties of woven products and about 200 varieties of medicines.(5)

SOURCES

1. Peiping, Jen-min Jih-pao, 30 May 51
2. Hong Kong, Ta Kung Pao, 20 Jun 51
3. Hong Kong, Hsing-tao Jih-pao, 1 Jul 51
4. New York, Hua-ch'iao Jih-pao, 6 Jul 51
5. Ibid., 14 Jul 51

- E N D -

- 2 -

CONFIDENTIAL**CONFIDENTIAL**